

Committee on Ways and Means

H.R. 6346 Would Provide New Economic Opportunity for the World's Poorest People

- H.R. 6346 is one of the most important humanitarian steps that Congress can take for some of the poorest countries in the world, including sub-Saharan Africa, Haiti, and the Andean countries.
- One of the best ways to lift people out of poverty is to promote economic activity through increased trade and investment.
- There are 314 million sub-Saharan Africans living in poverty, or nearly half the population. Meanwhile, Haiti is the poorest country in the Western Hemisphere, and over 80 percent of its population lives in abject poverty.
 - H.R. 6346 provides a tax credit to encourage much-needed labor and capital investments in sub-Saharan Africa.
 - The textile provisions for sub-Saharan Africa and Haiti will bring economic opportunities to these least developed countries while also expanding opportunities for U.S. textile and apparel interests.
 - The Haiti/AGOA provisions will greatly benefit those countries while having a minimal impact on overall U.S. imports of apparel and U.S. domestic markets. Apparel imports from Africa and Haiti barely register in U.S. markets.
- Millions of workers in Peru, Colombia, Bolivia, and Ecuador owe their livelihoods to the Andean trade preferences.
 - Peru and Colombia have extended their hands in economic cooperation by negotiating comprehensive, commercially meaningful trade promotion agreements.
 - The Administration did not submit for Congressional considerations these two agreements with democratically elected governments before the expiration of preferences. It would add insult to injury if Congress does not provide a short-term extension of preferences until the agreements can be considered early next year.
 - Extending trade preferences to Ecuador and Bolivia by providing a rebate of duties will encourage those countries to follow the lead of Peru and Colombia and conclude trade promotion agreements with the United States.
- H.R. 6346 extends the Generalized System of Preferences (GSP) for two years and tightens rules to tailor the program to benefit lesser developed countries that need help exporting to the United States. At the same time, the program makes U.S. manufacturers more competitive by providing access to raw materials and benefits consumers.